

Taxpayers who have been authorized to file annual returns, and whose tax collections exceed the amounts that would qualify them for continued status as annual filers, may contact the Department's Central Registration Division and request monthly filing status. See 86 Ill. Adm. Code Sections 130.502 and 130.510 (This is a GIL.)

November 30, 1998

Dear Ms. Xxxxx:

This letter is in response to your letter dated July 1, 1998. The nature of your letter and the information you have provided require that we respond with a General Information Letter which is designed to provide general information, is not a statement of Department policy and is not binding on the Department. See 86 Ill. Adm. Code 1200.120(b) and (c), enclosed.

In your letter, you have stated and made inquiry as follows:

In December 1997, we received notification of filing status change (from quarterly to annually) Form ST-603. During the 2nd quarter of the current 1998 year, we did sell product as well as provide services for a particular project. We correctly collected the sales tax which was in excess of \$50,000.

We have contacted taxpayer assistance to inquire if we are required to remit an ST-1 since the sales tax collected was a sizable amount. We were told verbally, by both the Springfield and Chicago offices that we are to file an annual return per our notification by the Illinois Department of Revenue.

We are concerned because the amount of sales tax already collected is in excess of \$50,000. We may have another job that will require the selling of products as well as services later on this year. We are looking for some guidance by the Department of Revenue as to how we should proceed.

Persons engaged in the business of selling tangible personal property at retail must file a Form ST-1 on a monthly basis on or before the 20th day of each month as required by the enclosed copy of 86 Ill. Adm. Code 130.501. Taxpayers with very large average monthly liabilities are required to pay quarter monthly. See the enclosed copy of 86 Ill. Adm. Code 130.535(b) and (c).

Taxpayers can be authorized by the Department to file quarterly or annual returns if the provisions for filing quarterly (average monthly liability does not exceed \$200) and annually (average monthly liability does not exceed \$50) are fulfilled. These provisions are described in the enclosed copies of 86 Ill. Adm.

Code 130.502 and 130.510 respectively. Please note that the decision to permit quarterly or annual filing will be based on taxpayers' average monthly liability during the first year of registration and, unless authorized or required to file on a quarterly or annual basis, all taxpayers are required to file monthly returns.

The Department conducts annual reviews of taxpayers who have been authorized to file annually. Taxpayers who have been authorized by the Department to file annual returns may continue filing annual returns until the Department reviews their returns and notifies them of a change in filing status. However, taxpayers who have been authorized to file annual returns, and whose tax collections exceed the amounts that would qualify them for continued status as annual filers, may contact the Department's Central Registration Division and request monthly filing status. The Central Registration Division may be contacted at the following address: Illinois Department of Revenue, Central Registration, P. O. Box 19030, Springfield, IL 62794-9030.

I hope this information is helpful. If you have further questions related to the Illinois sales tax laws, please contact the Department's Taxpayer Information Division at (217) 782-3336.

If you are not under audit and you wish to obtain a binding Private Letter Ruling regarding your factual situation, please submit all of the information set out in items 1 through 8 of the enclosed copy of Section 1200.110(b).

Very truly yours,

Martha P. Mote
Associate Counsel

MPM:msk
Encl.